

From: Taormina, Philene [PTaormina@aarp.org]  
Sent: Friday, January 06, 2006 4:41 PM  
To: Allen, Riley; Ann C. Bishop; Blair Hamilton; Jack McCullough  
Cc: Marchildon, Greg; Weinstock, Susan  
Subject: EEU

Hi Riley and Ann,

I just want to submit a few general comments about the EEU. I have not been following this too closely, but I did review the scenarios. These comments focus entirely on our concerns for the low-income ratepayers in Vermont who face considerable barriers in both paying their energy bills and achieving energy efficiency.

While we understand the merits of running a scenario that does not consider the requirement for an equitable distribution of efficiency services, this is a direction we do not support going in. First, it is vitally important that lower income Vermonters receive efficiency services. Vermont has the worst energy affordability gap in the United States and our poorest citizens are paying the highest percentage of income on energy than any other category of ratepayer. The weatherization and efficiency services are a crucial component of our efforts to lower these costs. Second, if the EEU is no longer going to serve low-income ratepayers then it would be economically unjustifiable to continue collecting and efficiency charge from this class of ratepayers.

EEU by contract spends 15% of the budget on efficiency and weatherization of low-income households. However, they have a limited ability to target their services to low-income families and track the progress they are making statewide. We recommend that steps be taken by the State to share data about Vermonters that receive LIHEAP funds to pay for heat. This class of ratepayers is an already identified to be low-income and in need of heating assistance and having access to them for the purposes of providing energy efficiency assistance makes sense and will allow the EEU to target services by casting a broader net.

Finally, there has been discussion of amortizing the costs of investments in energy efficiency to reduce the potential for negative rate impacts. We recommend that this option be fully explored, especially the positive impact it might have on the efficiency charge paid by lower income ratepayers.

Thank you for the opportunity to submit comments.

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